

ECONOMIC EVENTS IN SALT LAKE COUNTY

Home sales across Utah held steady during the first six months of 2003, dropping only slightly while the average sales price increased. The number of homes sold totaled 10,331, down from 10,408 units a year ago. The average sales price increased to \$169,734, up \$1,041 from the same period last year, according to the Wasatch Front Regional Multiple Listing Service. Along the Wasatch Front, fewer sales were reported in Salt Lake, Utah and Weber counties. However, those same counties saw small increases in average sales prices, suggesting Utah's housing market is holding steady.
(The Deseret Morning News, 7/11/03)

Members of the private foundation that runs the state's **Olympic facilities** need to find a new boss and at least \$2.5 million in donations. Choosing a replacement for the foundation's current president and chief executive officer should take just about six weeks. A tougher task is balancing the foundation's budget for running the Utah Winter Sports Park near Park City, the Utah Olympic Oval in Kearns and the Soldier Hollow cross-country skiing and biathlon course in Wasatch Mountain State Park near Midway. Operating costs have run in the red since the foundation took over the facilities from the Salt Lake Organizing Committee in 2002. The foundation will end up receiving more than \$75 million from SLOC, but that's not going to be enough to keep the facilities up and running indefinitely.
(The Deseret Morning News, 7/10/03)

Some of Utah's **small towns** have more than doubled in **population** since the decennial census was taken in the spring of 2000, but the state's capital city experienced a slight loss in population, according to a census report. The fastest growth in Utah during the two-year period was found in small, newer developments, where residents can get more bang for their buck. Utahns have sought places within commuting distance to their jobs but where homes and land are more affordable.
(The Deseret Morning News, 7/10/03)

High **apartment vacancy rates** continued to plague Salt Lake County's rental market during the first six months of the year, rising to 9.5 percent. That's up from 9.3 percent during the same period a year ago, according to a report by EquiMark Properties Inc., a Salt Lake brokerage and research firm. Last year, multifamily vacancies hit 10.9 percent, the highest rate since 1988.
(The Deseret Morning News, 7/8/03)

One of downtown Salt Lake City's largest retailers is closing its doors, creating yet another vacancy on Main Street. The downtown **Old Navy** will close leaving another 37,443 square feet of Main Street retail space empty.
(The Deseret Morning News, 7/4/03)

Areas of the state where **large discount stores are concentrated** fared best last year in terms of direct taxable sales growth, Utah Tax Commission data show.
(The Salt Lake Tribune, 6/27/03)

The University of Utah is one of the **top 100 "best buys" in higher education** across the country, according to Institutional Research & Evaluation Inc. The education consultant firm made its selections based on affordability and academic quality.
(The Deseret Morning News, 6/26/03)

Just two days after United Steelworkers of America members voted to approve a new six-year collective bargaining agreement with Kennecott Utah Copper, the company told union leaders it intends to **idle up to 220 workers**, or 15 percent of its workforce.
(The Salt Lake Tribune, 6/26/03)

By a four-to-one margin, union workers at Kennecott Utah Copper **ratified a proposed contract** with the company. The estimated 1,300 union workers won an average \$2.48 per

hour wage increase over the span of the six-year agreement, plus a \$500 settlement bonus based on ratification.

(The Deseret Morning News, 6/24/03)

Both the Salt Lake City-Ogden and Provo-Orem areas fell significantly in the **Milken Institute's Best Performing Cities List**, which ranks the 200 largest metropolitan areas based on their ability to create jobs and increase salaries from 2001 to 2002. The Salt Lake City-Ogden area fell to No. 121 in this year's report from No. 60 last year while the Provo-Orem area fell from No. 56 to No. 103.

(The Salt Lake Tribune, 6/25/03)

Salt Lake area hotels reported a 58 percent average occupancy rate in May — 1.1 percentage points lower than the same month a year ago, according to the Rocky Mountain Lodging Report.

(The Deseret Morning News, 6/24/03)

Rural counties such as Piute, San Juan and Sanpete benefit more from the redistribution of **state tax resources** than urban counties surrounding Salt Lake City, according to the Utah Foundation. Of the 29 state counties, Sanpete County residents receive \$4.35 for every tax dollar they send to state coffers while only 12 cents is returned to Summit County residents. Except for Utah and Weber counties, urban counties and those surrounding Salt Lake City are net payers in that they provide more in state tax revenues than they receive in services and resources.

(The Deseret Morning News, 6/16/03)

High building fees, exorbitant land prices and fewer entry-level housing starts are creating an **affordability gap for many Utah households**, according to a new University of Utah study by James Wood, interim director of the University's Bureau of Economic and Business Research. The report tracked new residential construction of 52 Utah cities from 1997 to 2002.

(The Deseret Morning News, 6/7/03)

Salt Lake Community College expects about **3,000 additional students** on its campuses for the fall 2003 semester, due in part to the University of Utah's enrollment cap. Earlier this year, University of Utah President Bernard Machen said the school would undertake cost-cutting strategies that include capping the U.'s enrollment at the current 28,369.

(The Salt Lake Tribune, 6/6/03)

Utah's first **high-tech high school** is one State Board of Education stamp of approval away from reality. For 250 incoming freshmen and sophomores from across the Salt Lake Valley, the Academy for Math, Engineering and Science (AMES) promises a rigorous path of university-level courses in such subjects as biotechnology and robotics.

(The Salt Lake Tribune, 6/3/03)

A new U.S. Census Bureau report reveals that Utah was one of the nation's pacesetters in the **growth of home values** during the 1990s. But, according to the Office of Federal Housing Enterprise Oversight, Utah went from leading the nation in home value growth for five straight years in the '90s to dead last the past two years -- with a growth rate of just 1.6 percent. Nationally, home values have increased at 6 percent during the same span. In an accompanying survey of 245 cities with populations of more than 100,000, Salt Lake City was ranked 75th, Provo 78th and West Valley City 103rd in median home value.

(The Salt Lake Tribune, 5/30/03)

Three Utah **Food 4 Less stores** — in Provo, Kearns and Spanish Fork — **will close by June 14**, company officials say. Last year Fleming Companies Inc., which owns 29 Food 4 Less grocery stores in four states, announced it would either sell or close all of its retail stores. Once everything sells in the three Utah stores, they will close, leaving about 100 people unemployed.

(The Deseret Morning News, 5/30/03)

Utah Interlinx and Tonaquint Center Development Inc. have announced a joint venture to bring a **redundant fiber optic network to southern Utah**. The area currently relies solely

on a fiber optic system operated by Qwest Communications International Inc. that consists of a buried cable between St. George and Salt Lake City.
(The Deseret Morning News, 5/26/03)

The **Utah Transit Authority** is getting a \$79 million federal check to pay for work on the TRAX light-rail extension to the University of Utah that opened in late 2001, and the extension to the U. Medical Center, to open in September. Funding for the four-mile combined extension to the east of downtown Salt Lake City is part of more than \$300 million paid by the U.S. Department of Transportation to the UTA for Wasatch Front light rail.
(The Salt Lake Tribune, 5/22/03)

Salt Lake-area hotels are seeing fewer visitors. **Occupancy rates** for April fell 7.1 percentage points, to 58.3 percent, compared to the same month last year, according to the Rocky Mountain Lodging Report. The average Salt Lake room rate dropped \$2.26.
(The Deseret News, 5/22/03)

The Church of Jesus Christ of Latter-day Saints has tapped Ronald Pastore, a principal with AEW Capital Management, to oversee much of the redesign and redevelopment of its newly acquired **Crossroads mall** along with the **ZCMI Center** on Main Street. Pastore is already getting started on downtown Salt Lake City and revealed that he has drafted the Taubman Realty Group to lead retail development for a redesigned Crossroads and ZCMI Center. While specific plans for the two malls are still developing, Pastore did give some new details for the two shopping centers. Both malls, Pastore said, are obsolete and need to be reworked.
(The Deseret News, 5/22/03)

South Jordan's new downtown is under construction. So far, there's a \$4.1 million City Hall, 85,000 square feet of retail space in eight separate new buildings, land set aside for a library, skating rink and at least 50,000 more square feet of commercial space. The place is called Towne Center Drive, a landscaped boulevard with historic appeal for people who crave the outdoor mall shopping experience.
(The Salt Lake Tribune, 5/13/03)

About 125 people working at a **Fleming Cos. warehouse and distribution center** in Salt Lake City will lose their jobs over the next month as the Texas company cuts costs in an effort to emerge from bankruptcy. The facility, which had supplied food and other products to discount retailers and grocery stores in Utah, is one of five U.S. warehouses that will close. A Fleming distribution facility in Salt Lake City that caters to convenience stores will remain open.
(The Salt Lake Tribune, 5/13/03)

Since 1992, roughly 1.75 million people have peered down from **Kennecott Utah Copper's visitors center** nearly 2,000 feet to the bottom of the Bingham Canyon Mine, the largest human excavation on earth. The company has donated more than \$1.25 million from entrance fees to nearly 150 Utah charities.
(The Salt Lake Tribune, 5/13/03)

Westminster College held a groundbreaking for a \$6.5 million, 36,000-square-foot addition to the **Jewett Center for the Performing Arts**. Total square footage of the center will be 53,000 when the construction is complete.
(The Deseret News, 5/5/03)

Salt Lake City International Airport's **security screener work force** will be reduced by about 18 percent, or 150 workers, in the next 120 days. Salt Lake's screener reduction is part of some 6,000 such personnel cuts nationwide and other adjustments to create a more efficient security agency.
(The Deseret News, 5/5/03)

West Valley City plans to partner with the Utah Department of Workforce Services to establish a **One Stop Business Registration** Team. Anyone starting a new business in West Valley City should be able to register on the Internet from home or at a computer station in City Hall.
(The Deseret News, 5/5/03)

Kennecott Land unveiled "Daybreak" as the new name of its planned 4,200-acre development formerly called "Sunrise." Kennecott laid out its timeline for developing the master-planned community. Construction of the first 1,200 homes will begin in July 2004. Upon completion, the self-contained community could double South Jordan's population by housing more than 40,000 people and some 13,600 residential units. In addition to houses ranging from starter to high-end, Daybreak will encompass 1,260 acres of open space, a "highly walkable" retail center and an industrial office park.
(The Salt Lake Tribune, 4/30/03)

Groundbreaking ceremonies for the university's new **Emma Eccles Jones Research Building** on the southeast end of the medical campus, a two-year construction period that will add a \$25 million ultra-high tech research facility to the campus.
(The Deseret News, 4/30/03)

Stampin' Up, a Sandy-based manufacturer of decorative rubber stamps and scrapbooking supplies, has begun building an approximately 300,000-square-foot facility on 55 acres in Riverton. The facility will serve as the company's **new headquarters and distribution center**. The company still will manufacture its products in Kanab, where it employs 125 people.
(The Salt Lake Tribune, 4/30/03)

Home sales in several Utah counties plummeted in April. About 584 homes sold in **Salt Lake County** from April 1-28 at an average price of \$180,859, down from 815 homes averaging \$183,183 in the same month last year, according to data from the Wasatch Front Regional Multiple Listing Service.
(The Salt Lake Tribune, 4/29/03)

Overstock.com Inc. reported a net loss for the first quarter and said it would **cut its work force by 10 percent**. The Salt Lake-based company, which sells closeout merchandise at a discount over the Internet, declined to reveal how many workers would be affected by the cuts.
(The Deseret News, 4/29/03)

The **new warehouse expansion** of the state Department of Alcoholic Beverage Control is also a \$7.2 million wonder that will allow the department to as much as double its capacity for receiving liquor for distribution across the state. What's inside is a huge Erector set of sorts, a fully automated storage and retrieval system that is state of the art in warehousing. It's the largest of its kind in Utah and one of only three so-called rack-supported buildings across the state.
(The Deseret News, 4/28/03)

Occupancy rates at Salt Lake-area hotels rose 1.5 percentage points to 66 percent in March when compared to the same month last year, according to the Rocky Mountain Lodging Report. Although occupancy rates for the city increased, the average room rate fell \$4.81 from \$78.40 to \$73.59. Statewide, occupancy rates held steady at 63.1 percent.
(The Deseret News, 4/24/03)

More than 75 **road-building and maintenance projects**, with total costs hovering at \$500 million, will be completed in the state during the upcoming 2003 construction season.

Projects for Salt Lake County: **I-15** — Maintenance crews will continue replacing faulty joints on the I-15 reconstruction corridor. An asphalt pavement project is tentatively planned for the stretch between 600 North and I-215. **U-201** — Pavement rehabilitation and bridge replacement work on a 3.5-mile stretch of U-201 from U-202 to 9000 West. **Redwood Road** — A widening project already under way between 9000 South and 10600 South throughout the summer. **A second widening project**, from 3200 South to I-215, could begin late in the year. **I-215** — Delays are to be expected between 300 East and Redwood Road as UDOT continues to permanently widen the belt route from three to four lanes in each direction. **900 East** — A project beginning later in the construction season will widen the road between 6000 South and 6300 South. **1300 East** — A \$1.4 million widening project will occur between 7500 South and 7900 South. **Highland Drive** — A \$3.7 million widening and reconstruction project is already under way. **7800 South** — The road will be widened from two to four lanes from 1850 West to the Bangerter Highway. **12300/12600 South** — an eight-mile stretch of the

road from 700 East to the Bangerter Highway will be widened to five lanes. **4700 South** — Improvements totalling \$1 million will be made at intersections from 2200 West to 2700 West and to the southbound I-215 offramp to westbound 4700 South. **6200 South** — A \$2.7 million widening project will keep traffic reduced to one lane in each direction for most of the summer. **Little Cottonwood Canyon Road** — A \$1.9 million pavement project on eight miles of the road will begin in July.
(The Deseret News, 4/20/03)

In what is usually a slow quarter, industrial leasing activity in Salt Lake County appears to have broken a record during the first three months of this year. More than a million square feet of **industrial space in Salt Lake County** was leased during the year's first quarter, nearly double the 529,000 square feet of leased space in the same quarter a year ago, according to a report by Collier's Commerce CRG.
(The Deseret News, 4/19/03)

The Salt Lake City Redevelopment Agency Board approved six free **grants to six businesses** — four of them restaurants — to move to Main Street downtown. The grants of up to \$20,000 were designed to entice small and large businesses to come downtown.
(The Deseret News, 4/18/03)

Boeing Co. will lay off another 60 Utah workers in June, bringing the total to 140 local job cuts announced in the last two months. The layoffs, which will affect both management and production workers, will go into effect June 20. Boeing employs 310 workers at the Salt Lake facility and 393 total in Utah.
(The Deseret News, 4/9/03)

The **Salt Lake Chamber and the Downtown Alliance**, two of Salt Lake City's best-known business advocacy organizations, have agreed to merge. The Downtown Alliance, which was formed in 1991, represents about 2,500 business and property owners in the downtown area. The Salt Lake Chamber, whose history traces back to 1887, is a statewide organization of 1,700 businesses of all sizes.
(The Salt Lake Tribune, 4/11/03)

Pink slips have gone out to 50 **Evans & Sutherland Computer Corp.** employees, marking a new round of **layoffs**. The company indicated that 40 of those losing their jobs in the fifth announced layoff in less than two years worked at the company's Salt Lake City operations.
(The Salt Lake Tribune, 4/1/03)

University Hospital's, **new George S. and Dolores Dore Eccles Critical Care Pavilion** trauma services are getting a major boost with completion of a \$42.5 million expansion project, the first for the hospital in more than 20 years. The critical care pavilion includes a new emergency department, surgery center and surgical intensive care unit.
(The Deseret News, 3/28/03)

Southwire Co. confirmed plans to close its West Jordan plant, **laying off more than 40 workers**. The Utah plant's utility cable production will be shifted to Southwire plants in Hawesville, Ky., and the company's headquarters in Georgia.
(The Salt Lake Tribune, 3/19/03)

The Church of Jesus Christ of Latter-day Saints announced it has reached an agreement to **purchase Crossroads Plaza**. The "agreement in principle" includes the shopping mall and the adjoining office tower, the church said in a statement. The transaction is expected to be complete in the next several weeks, pending finalization of terms with the mall operators.
(The Deseret News, 03/19/03)

KUTV Channel 2 has finalized its **move** to the Wells Fargo Center in downtown Salt Lake City, with newscasts starting in September. The CBS affiliate will move 180 employees at an estimated cost of more than \$5 million.
(The Salt Lake Tribune, 3/13/03)

Daw Technologies Inc announced it had filed for Chapter 11 bankruptcy protection. **Daw's bankruptcy** court filing came after it completed the last round of layoffs in its Salt Lake City manufacturing operations. Daw, which had employed 750 in 1995, now is left with a Utah work force of 35 mostly administrative and sales staffers. Daw was a Salt Lake City-based manufacturer of clean rooms used by computer-chip makers, hospital and pharmaceutical laboratories. (The Salt Lake Tribune, 3/12/03)

Boeing Co. has announced it will **lay off about 80 workers** at its Salt Lake manufacturing facility by May, citing the downturn in the commercial air travel business. The 80 Salt Lake workers are manufacturing employees and management. Boeing currently employs about 395 workers at its Salt Lake facility, where it builds spare parts of out-of-production airplanes. (The Deseret News, 03/11/03)

In Utah, 1.1 percent of **workers work in another state**. Of those, 18.5 percent work in Nevada and 15.6 percent commute to California. In addition, 15.9 percent of Utahns work in a county other than that in which they live. The census report shows the vast majority of workers have jobs in Salt Lake, Utah, Weber or Davis counties. Morgan County has the highest percentage of workers in the state who travel outside of the county for their jobs--61.6 percent. (The Deseret News, 3/6/03)

The U.S. Department of Labor has fined a Murray theater operator \$22,230 for allegedly **violating child-labor laws** by allowing teenagers to work too many hours and too late into the evening. Miller, who operates Gateway Cinema in Bountiful, TuCine Theatres in Kearns, Show Case 6 in Taylorsville and 5 Star Cinema in Magna, employed two-dozen 14- and 15-year-olds in violation of child labor laws, the department said. (The Salt Lake Tribune, 3/5/03)

January hotel/motel **occupancy rates** statewide dipped to 52.6 percent (from 57.6 percent in 2002), according to the Rocky Mountain Lodging Report. In Salt Lake County, occupancy levels declined from 64 percent to 56 percent. The Park City area reported the best results during January, with a 71.7 percent occupancy rate. St. George was the only other reporting area that filled more than half its rooms last month (53.2 percent). (The Salt Lake Tribune, 2/25/03)

Draper city officials and the Metropolitan Water District of Salt Lake and Sandy agreed to an out-of-court settlement that will allow the service district to construct a \$200 million **water treatment plant** on 106 acres of what Draper had hoped would be part of its SouthPointe commercial development. In return, Draper will receive more than \$10 million in benefits. (The Deseret News, 2/24/03)

Qwest Communications International Inc. this week said it intends to add nearly **50 new jobs** at a center it operates in Midvale. The fresh hires will boost the center's work force to more than 100 by mid-April. (The Salt Lake Tribune, 2/20/03)

A group of hospitality industry veterans has **proposed a nightclub and restaurant complex** on Salt Lake City's Main Street that they say would attract more than 16,000 patrons each month and employ as many as 150 people. No leases have yet been signed, but Empire Marketing and Holding LLC want to open a private club, in the vacant ground floor of a building that also houses Salt Lake Community College at 115 S. Main St. The group also wants to open restaurants and a lounge in the adjoining vacant buildings at 125 S. Main and 127 S. Main. (The Salt Lake Tribune, 2/5/03)

Groups assisted by the Salt Lake Convention & Visitors Bureau spent **658,179 nights in hotels in 2002**, up from 594,837 the previous year. Those figures do not include the impact of the 2002 Winter Games, which accounted for an additional 333,328 nights spent in hotels last year. (The Salt Lake Tribune, 1/29/03)